

OREGON STATE BAR

Board of Governors Agenda

Meeting Date: June 20-21, 2019
From: Amber Hollister, General Counsel
Re: CSF Claim No. 2019-16 Deveny (Wright)

Action Requested

Consider Client Security Fund Committee's recommendation that the board grant claimant Leisa Wright's claim of \$50,000 in the matter of CSF Claim No. 2019-16 Deveny (Wright).

Discussion

Claimant Wright hired Ms. Deveny in 2012 to represent her in obtaining damages for serious injuries sustained in a motor vehicle accident. She agreed to a contingent fee agreement, in which Ms. Deveny was to receive one-third of the settlement.

On May 17, 2013, Ms. Deveny settled the case for \$215,000. While Ms. Wright was aware of the settlement, Ms. Deveny asserted there was a fictional fee dispute with the insured's insurance company that prevented transfer of any funds. Ms. Wright was entitled to \$143,333.33 of the total settlement under the terms of the fee agreement, but did not receive any of the settlement proceeds.

Ms. Deveny resigned Form B, effective July 26, 2018, while numerous disciplinary cases were pending. In 2018, Ms. Wright was under the impression her case was still pending until the Portland Police Department contacted her about Ms. Deveny's alleged theft.

At its May 11, 2019 meeting, the Client Security Fund Committee reviewed Ms. Wright's claim and unanimously voted to recommend that the Board reimburse her for \$50,000 of her loss (CSF Rule 4.7 capped at \$50,000). Ms. Wright's claim would not ordinarily be eligible for reimbursement at this time, pursuant CSF Rule 2.1.6, because Ms. Deveny has not been found guilty of a crime and Ms. Wright has not obtained a civil judgment against her. The Committee, however, voted to waive the requirement of CSF Rule 2.1.6 based on extreme hardship under CSF Rule 2.6, based upon her circumstances and the available evidence.

Staff recommends that the board approve the claim in the amount of \$50,000, consistent with the CSF Committee's recommendation.